

## **FINISHED AND RAW MATERIAL PURCHASE CONDITIONS**

### **1. EXPENSES INCLUDED IN PURCHASE PRICE**

Shipment, insurance, loading expenses related to the performance of the covenant (including increases that may occur due to additional works) is included to the purchase price.

Contract expenses and stamp tax shall belong to the supplier.

### **2. ANNEXES TO PURCHASE CONDITIONS**

Order form annex is an integrated part and binds **GÜRGENLER A.Ş.** and Supplier. If there is a conflict between raw / finished material purchase conditions and order form, conditions in order form shall bind GÜRGENLER A.Ş. and Supplier.

### **3. METHODS AND CONDITIONS FOR START AND END OF WORK AND DELIVERY PROGRAM**

Delivery place for goods is “**OSB Avar Cad.No: 4 SİNCAN/ ANKARA**”.

Goods shall be delivered to the address given according to the “delivery program” specified between the supplier and GÜRGENLER A.Ş.

Supplier must conform to the “delivery program” specified by the parties.

Shipment and insurance of goods to the address specified with seller’s approval shall belong to the supplier.

### **4. PAYMENT CONDITIONS AND TERM**

It shall be paid as it was guaranteed with order approval.

If goods are not in compliance with Purchase conditions and annexes and technical specifications, the supplier agrees that GÜRGENLER A.Ş. shall have the right to postpone the payment until the goods are in compliance with Purchase conditions and annexes and technical specifications. If delivery term ends during this process, penalties related to the delay shall continue to be implemented.

### **TRANSPORTATION OF GOODS**

**4.1** All kinds of transportation expenses related to the performance of works arranged in purchase conditions are valid as stated in purchase conditions. Supplier is responsible for providing insurance according to the insurance conditions required for the goods during transportation.

### **5. RESPONSIBILITY FOR DEFECTS AND FAULTS AFTER ACCEPTANCE**

**5.1** Supplier must complete or compensate losses or damages that may occur due to the non-compliant production of delivered goods in terms of fraudulent material or technical specifications pursuant to this contract. Damages that may occur due to

workmanship, assembly or use caused by the buyer after delivery of defective goods are outside the responsibility of the supplier.

**5.2** Supplier shall be responsible for visible and hidden defects of goods that are detected after delivery.

## **6. WORKS THAT DO NOT CONFORM TO THE CONTRACT AND ANNEXES**

**6.1** Supplier must immediately replace or repair the goods with delivery, packaging types and conditions are not according to the contract and specifications or are deficient and defective. If a delay occurs due to this condition, delay penalty provision of this contract shall be applicable.

## **7. LIENS**

**7.1** Gürgenler A.Ş. reserves its legal rights due to the lien implemented and the right to request all kinds of loss it incurs due to this lien from the supplier. Expenses such as court expenses, attorney fees, etc. to be paid by GÜRGENLER A.Ş. due to these procedures belong to the supplier, and shall be deducted from receivables and/or guarantees of the supplier.

## **8. DELAY PENALTY**

If the delivery term guaranteed by the supplier is exceeded, a delay penalty in the rate of 5% (five percent) of contract price shall be implemented for each month without requiring any notice or warning.

If partial delivery is foreseen in the delivery program, delay penalty for each part specified for delivery program shall be calculated separately, and a delay penalty in the rate of 0,1% for each day according to the price of the delayed part.

Delay penalty shall be deducted from the payments to be made to the supplier without requiring any notice or warning to the supplier. If it is not deducted from the payments to be made to the supplier or if the payment to be made does not compensate the delay penalty, delay penalty shall separately be collected from the Supplier.

In case of delay, GÜRGENLER A.Ş. reserves other rights it has due to delay and the right to recover all losses it incurred due to the delay.

## **9. LIABILITIES OF THE SUPPLIER**

The supplier hereby accepts and guarantees to exercise due diligence and care for all materials, to perform the goods/works under the contract as per the term, amount and price specified in the contract and annexes, and to eliminate the possible defects in accordance with provisions of the contract.

## **10. INVALIDITY OF CONDITIONS**

### **10.1 Reasons for Termination**

- a) Supplier does not perform the delivery program stated in the contract and annexes completely or partly (except extension of term and force majeure), and causes a delay for more than 30 (thirty) days.
- b) Supplier insists on not to conform to regulations and GÜRGENLER A.Ş. instructions about the performance of work under is guarantee.
- c) Supplier does not conform to the decisions made by the court related to the contract and annexes.
- d) Supplier cannot pay its debt, or its goods are under levy, or declared bankruptcy.
- e) Supplier transfers/subcontracts a part of all of the work to 3<sup>rd</sup> persons without GÜRGENLER A.Ş.'s approval.
- f) The court decides supplier's liquidation or prevents its performance of work regardless of the reason.
- g) Supplier cannot perform any or all of its duties written in the contract or annexes under conditions and principles stated in the contract or annexes provided that it is not due to force majeure,

**10.2** If any two of the aforementioned reasons stated in clauses "a", "b", "c", "d", "e" and "f", "g", GÜRGENLER A.Ş. shall be authorized to terminate the contract without stating a duration and without issuing a notice, and to use all its rights and privileges in terms of the termination of the contract.

## **11. SETTLEMENT OF DISPUTES**

Ankara Batı (West) Courts and Execution Offices are authorized to resolve all kinds of disputes that may arise due to implementation of purchase conditions and annexes.